

GALENA & CHICAGO
UNION RAILROAD COMPANY.

FIRST ANNUAL REPORT.

CHICAGO, 1848.



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GALENA AND CHICAGO UNION RAILROAD COMPANY.

REPORT

OF

WILLIAM B. OGDEN, ESQ.,

PRESIDENT OF THE COMPANY;

TOGETHER WITH REPORTS

OF THE

ENGINEER, SECRETARY, AND TREASURER,

Read at the Annual Meeting of the Stockholders, April 5, 1848.

CHICAGO:

STEWART, WHEELER & ELLIS, JOB PRINTERS,
201 LAKE STREET.

1848.



DIRECTORS:

Chosen at the Annual Meeting of the Stockholders, April 5, 1848.

WILLIAM B. OGDEN, PRESIDENT, *Chicago.*

WALTER L. NEWBERRY, “

CHARLES WALKER, “

JAMES H. COLLINS, “

J. YOUNG SCAMMON, “

WILLIAM H. BROWN, “

JOHN B. TURNER, “

THOMAS DYER, “

BENJAMIN W. RAYMOND, “

GEORGE SMITH, “

CHARLES S. HEMPSTEAD, *Galena.*

THOMAS DRUMMOND, “

ALLEN ROBBINS, *New York.*

FRANCIS HOWE, *Secretary and Treasurer.*

THE HISTORY OF THE

REIGN OF KING CHARLES THE FIRST

BY SAMUEL JOHNSON

IN TEN VOLUMES

LONDON

Printed by A. MILLAR, in Pall-mall

1742

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To the Stockholders of the Galena and Chicago Union Railroad Company.

GENTLEMEN:

In behalf of the Directors, I submit to you, herewith, the accompanying report of John Van Nortwick, Esq., Chief Engineer, showing what steps have been taken and what progress made in the construction of a Rail-Road from Chicago to Galena, with exhibits of the estimated cost of the road as far as Elgin, and an estimate of the sources of income to be realized to stockholders from its construction. And I also submit, herewith, the report of Francis Howe, Esq., Secretary and Treasurer of the Galena and Chicago Union Rail-Road Company, showing the means and resources, amount of stock subscribed, and the receipts and expenditures of the Company up to the present time.

Since the annual election of Directors, on the 5th of April, 1847, the Board have closed the contract with Messrs. Townsend & Mather, for the stock and lands of the company, held by them, by issuing to them 100 shares of the full paid stock of the Company, (not bearing interest, however,) *for the 1000 acres of land on the Des Plaines river*, and by agreeing on certain conditions, to issue to them another 100 shares of the full paid stock of the Company, on the completion of the road to Fox River.

This arrangement placed the stock and charter entirely in the hands of the Directors, and secured to the Company about 1000 acres (a good portion of it timber,) of valuable land on the Des Plaines River, situated about the point where the road crosses the river.

The timber on portions of this land, it is believed, will prove of much value to the company for purposes of construction, and in supplying their engines with fuel, it being situated just where it is wanted, and timber being scarce in its vicinity.

After concluding this arrangement with Messrs. Townsend & Mather, every obstacle being then removed, the Board were prepared for decisive action, but, before opening their books for subscription, to the stock of the Galena and Chicago Road, it was thought best to await the decision of the

Michigan Central Rail-Road Company, as to the western terminus of their road, whether at St. Joseph or at New Buffalo.

Negotiations were opened with that Company, favoring a terminus at New Buffalo; and steps were taken to secure the charter of the Buffalo and Mississippi Rail-Road Company, for the purpose, by means of it, (and the right of this company to extend a branch to the Indiana line,) of connecting the Michigan Central Rail-Road with Chicago.

The Michigan Central Rail-Road Company, decided to terminate their road at New Buffalo in July last, and steps were taken preparing the way for an extension of their road to Chicago about the same time. Upon this, your Directors proceeded at once, to announce their intention of opening books of subscription to stock, for the extension of this continuous line of railroad from Chicago westward to Galena.

Books were accordingly opened at Chicago and Galena, and at the towns intermediate, on the 10th day of August last, and about \$250,000 of stock were then subscribed.

The first expectation of the Board was to obtain a general subscription from the citizens of Northern Illinois and Southern Wisconsin, residing along the line of the contemplated road, and in its vicinity, as indicative of their faith in the profitable character of the road when constructed, and of the general interest of the people in its construction; and, with the aid of this subscription, to open negotiations with, and solicit other subscriptions or loans from eastern capitalists, sufficient in amount to justify the commencement of the work.

The amount subscribed, however, on the opening of the books, was so liberal, and the feeling manifested along the line, so ardent, and so universal, that it was quite apparent the country and the people immediately interested in the construction of the road, were able to, and would increase their subscriptions to an amount sufficient, in connection with the credits on iron and engines then offered us, to build the road from Chicago to Elgin at once, and own it themselves.

Experienced parties at the East, largely interested in Rail-Road stock, and decidedly friendly to the success of the Galena and Chicago road, were consulted, and made acquainted with the particulars of our position at this juncture, and with the proposed plan for obtaining the additional means at the East, necessary to secure the completion of the road to Fox river.

They were clearly and decidedly of the opinion, that the wisest and surest way to accomplish the speedy extension and completion of the entire route to Galena, was, for the inhabitants along the line of the road, to raise the means themselves, for its commencement and completion to the Fox river and Elgin, 41 miles, when there was every thing to assure us that the comparatively small cost of construction and extreme productiveness of the country tributary to the road, would secure such large returns as would enable us to command capital from any quarter on loans or increased subscriptions to stock for the extension of the road to Rock River, and to Galena, without delay.

This course was adopted, the object explained and approved by subscribers, and further subscriptions solicited and obtained on this basis of operation, to an extent exceeding altogether, the sum of \$350,000 (about \$10,000 of stock subscriptions have since been added,) and the work was commenced in earnest.

A Corps of Engineers was then (September last) immediately employed to survey and locate the line from Chicago to the Fox River, and prepare it for letting. The time occupied in doing so, has somewhat exceeded what was at first supposed to be necessary, and the road, except the first seven miles, was not prepared for letting until the 1st of March last, when the grading and bridging of the first 31 miles (inclusive of the seven miles let last fall,) was put under contract, and on very favorable terms, as will appear by reference to the report of the Chief Engineer herewith submitted.

By reference to that report, it will also be seen, that all the timber and ties necessary for the entire superstructure to Elgin, 41 miles, have been contracted for on favorable terms.

It has always been the desire and intention of the Directors, to commence the road in a thorough and substantial manner, and if possible, with our means, to finish it with an edge rail, which all experience seems to have approved, as being greatly preferable, and in the end more economical.

A superstructure—cross ties—suited to such a rail has accordingly been adopted, and an edge rail will be procured if the means of the Company shall prove sufficient to obtain it.

The extraordinary and ruinous financial difficulties of Great Britain for some months past, however, have served

to tighten the money market of this country to such an extent, as to cause the withdrawal of proposals of credit on Iron and Engines, previously made to us, and to make it very doubtful whether the present resources of the Company are equal to the purchase of an edge rail for their road, under circumstances, at all compatible with the resolutions of the Board, not to exceed its means in any case, nor for any consideration.

Acting under this impression, amounting almost to conviction, the Directors were induced as their only alternative to provide timber for longitudinal rails, to be placed for the time being, on the superstructure of cross-ties adopted for the edge rail, to receive a plate rail in the manner set forth in the accompanying report of the Chief Engineer.

It is also proper to remark, that many considerations suggestive of the propriety of adopting a flat or plate rail, in the first instance, as far as Fox River, have presented themselves.

In a country where money is worth as much as it is here, and where the means of a company are as limited as ours are, and the necessity for the immediate construction of a rail-road is so great, in consequence of the very bad character of our common roads, and of the great amount of produce to be transported over them; there are reasons favoring a commencement with a plate rail, which would not be entitled to consideration under better circumstances.

Should the future Board find themselves at any time hereafter, relieved from the necessity of adopting a flat rail, in consequence of the fall of iron, or of increased funds or credit suited to their circumstances, they will, no doubt, avail themselves of a rail of greater weight and more improved form.

Upon the extension of the road beyond Elgin, a greater necessity will exist for a heavier rail, from the increased business that will result from such extension; and the flat rail, and the timber upon which it is placed between Chicago and Elgin, if used there, can then be taken up and relaid on a branch road to Beloit or to other points to which there will be occasion for branches.

From the report of the Chief Engineer, it will be seen, that the grades on that portion of the road between Chicago

NOTE.—The preliminary survey made, shows that grades of a character equally favorable, can be maintained all the way to Galena, with the exception of the last 10 miles, where a descent of 37 feet to the mile is found to be necessary.

and Elgin are scarcely equalled on any other road in the country, the maximum grade going east, being but six feet, and going west, but twenty feet to the mile.

The character of the line, is also highly favorable, a great portion of it being in straight lines, and the few curves there are, all having large radii, requiring but trifling increase of power as compared with a straight line.

Owing to the champaign character of the country over which the road passes, and the consequent absence of any considerable floods in the streams it crosses, the cost of grading and bridging from Chicago to Elgin, and of the entire construction of the road, will be greatly less than that of most other roads, probably much less than that of any other substantial, well constructed road, of equal length ever built.

The Chief Engineer's report also shows the entire cost of this road, completed to Elgin, forty-one miles, and furnished with engines and cars sufficient to commence business, to be \$342,000, less than \$8,500 per mile, or about one-third the average cost of roads of like character in the State of New York, which fully accounts for the large earnings and dividends anticipated from it; for if it earns but $7\frac{1}{2}$ per cent on the average cost of similar roads in New York, it will pay over 22 per cent on its actual cost.

It cannot have escaped the observation of all acquainted with the region of country to be affected by the construction of this important work, that if constructed now and extended east from Chicago, around the head of Lake Michigan till it meets the Michigan Central Railroad, as it soon will be, it secures to the country through which it passes, the *great North-Western Rail-Road thoroughfare, for all time to come.*

No other continuous route of rail-road will ever be made to that great and rapidly improving country lying west and north-west of Lake Michigan, to the north of the southern end of that lake, if this road is established there first. No line to the south of it, near enough to compete with it, will be at all likely to be built while the business of the country can be prosecuted upon the road in which we are now engaged. Indeed no other line to the south of it can compete with it, for the trade and travel of more than half a million of people now at the north and west of it, and tributary to it; and the only struggle we have to secure all the great considerations and ends we have in view, lies in the completion of the road to Elgin. Once finished to that point, it will promptly demonstrate its profitable character and use-

fulness and command the confidence of all, and the means necessary to ensure its immediate extension to its termination at Galena.

Our subscription list, numbering over twelve hundred subscribers, it will be seen by the Secretary's report, exceeds in amount the sum required to complete the road with a plate rail to Elgin. Prompt payment by stockholders, generally, of all calls made to carry on the work, therefore, is all that is necessary to ensure the success of the road with our present means, and at an early day; and, as it requires nearly the whole amount now subscribed, to build the road to Elgin, it will be seen that our success depends upon payment by all of our subscribers, (with some few exceptions, where misfortune or death renders then unable,) of the amounts subscribed by them, and the protection of the rights and interests of those who do pay willingly and promptly, as nearly all do, will make it necessary for the Board, in justice to paying subscribers, to require from those who have as yet failed to meet the calls made upon them, the fulfilment of the legal obligations assumed by them, to the extent of their subscriptions to the stock of the Company.

If a large overplus of subscriptions had been made, the few persons who might wish, from any cause, to forfeit their stock, might, perhaps, be permitted to do so, but, as our subscription but barely exceeds the cost of the road, it must be at once apparent to every one, that all of our subscribers with the few exceptions named, must fulfil their obligations, upon the faith of which the company have undertaken the work, in order to ensure its success, and secure to those who do pay, the return for their money invested, which they have a right to expect, and which it will be incumbent upon, and the duty of the Board of Directors to take every proper means in their power to secure to them.

The interest of the whole country in the early completion of the road, however, will, it is not doubted, induce our stockholders, generally, to fulfil their engagements with little or no delay, by paying in the necessary calls on their stock, as made.

It is the desire of the present Board, if possible, to relieve their subscribers, temporarily, by making calls for instalments on stock to but twenty or twenty-five per cent in all, until after harvest, or previous to the first of September next, and, by making temporary loans, meanwhile, to meet their wants through the summer. To enable them to succeed in this effort, however, it is abso-

lutely necessary that the calls which are, and shall be made, be promptly met.

With assurances of every effort on their part, to execute the trust reposed in them, the Board of Directors look with confidence to their stockholders for that prompt and efficient support necessary to the success of the great work in hand.

W. B. OGDEN, PRESIDENT.

Chicago, April 5th, 1848.

To the Board of Directors of the Galena and Chicago Union Railroad Company.

GENTLEMEN:

I have hastily prepared, for your consideration, the following statements, showing the condition and estimated cost of your road from Chicago to Elgin, with an estimate of the business and revenue of the road when completed to that place.

Thirty-one miles, commencing at Chicago, and extending to a point about four and a half miles east of St. Charles, have been located. From this point to Elgin, a distance of ten miles, preliminary examinations have been made, and the line will be definitely located about the first of May.

The line from Chicago pursues a course nearly west for twenty-eight miles, or to within about six miles of Fox River. At this point it curves to the north west, in which direction it continues to Elgin.

For about three-fourths of the whole distance, the line will be straight, and, on the residue, the curves will have radii of from 2,600 to 12,000 feet.

The maximum grade, ascending east, will be six feet to the mile, and the maximum west, twenty feet to the mile.

On thirty miles the grade will be level, not exceeding six feet to the mile; on eleven miles, the grade will be from eight to twenty feet to the mile.

The road bed is to be graded generally fourteen feet wide, at grades on embankments, and twenty feet wide, including drains, in thorough cuts.

For about one half the distance, the road is located over a level prairie, requiring but little more labor in grading, than the shaping of an ordinary turnpike road. The other half is over rolling prairie, and through timber lands, with generally light excavations and embankments.

There is no material that is suitable for making a substantial road bed, on or near the line, where it passes over the level, and for a part of the distance over the rolling prairie. The necessary sand or gravel required for this purpose, must be obtained at other places on the line, and transported in gravel cars after the track is laid.

On this division but few mechanical structures are required ; and those that are necessary, are located at points remote from good building stone, consequently wooden structures have been adopted.

The principal structures are, the bridges over the Des Plaines, and the east and west DuPage rivers, and over Salt and Popple creeks. These bridges are to be substantially built on piles, the culvert and cattle guards to be constructed of timber.

The superstructure of the road upon which the present estimate is based, is to be composed of cross-ties, nine feet long and six inches thick, which are to be laid thirty inches from centre to centre; on these are to be placed longitudinal rails of Norway, or yellow pine, a portion six inches square, and a portion seven inches square, secured in place by triangular blocks or knees of scantling, firmly spiked to the ties on each side. Upon the longitudinal rail is an oak ribbon, one and a quarter by three inches square, and on this ribbon, an iron plate rail, two and a half by three fourths, or seven-eighth inches, and weighing about thirty tons to the mile.

The grading, bridging, culvert and cattle guards, on the first thirty-one miles (with a few unimportant exceptions), have been let to good, responsible contractors, and at fair prices. The work has been commenced on a few of the sections, and on others, the contractors are preparing to commence their work.

The line, from the termination of the work now let to Elgin, will be prepared for letting early in May.

Contracts have been made for furnishing and delivering early the present season, all the rails and ties needed for the superstructure of the road from Chicago to Elgin.

A contract has been made for furnishing four cars of different kinds, designed as pattern cars to be delivered early this spring. A contract has also been made for furnishing sixteen cars of different kinds, to be delivered this and the coming season, as the wants of the company may require. An arrangement has been made for furnishing all the lumber required for a sufficient number of cars, to complete the outfit for running the road, when finished, to Elgin.

The following statements show the estimated cost of constructing the road to Elgin, with one and a half miles of additional track and turn-outs, temporary buildings, water stations and sheds, an outfit of three engines, freight, passenger, and gravel cars, right of way and fencing, engineer-

ing, incidental expenses, including salaries of officers and agents, with the probable sum required to pay interest on stock paid in.

Grading and Bridging.

First two and a half miles, at Chicago, and section No. 1,	\$2,500
Sections 2 to 33 inclusive, as per contract,	61,500
From section 33 to Elgin, 10 miles,	20,000
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	\$84,000

Timber for Superstructure.

\$4,000 ties, as contracted,	\$21,350
1,600,000 feet B. M. of Norway pine rails, as contracted,	16,000
125,000 feet B. M. scantling, as contracted,	1,350
150,000 " " ribbons, " "	2,250
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	\$40,950

Iron and Spikes for Superstructure.

1,230 tons of plate rail $2\frac{1}{2} \times \frac{3}{4}$ inches, at \$60,	\$73,800
123,000 lbs. spikes, at 5cts.	6,150
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	\$79,950

Distributing materials and laying track, including graveling road, 41 miles, at \$500 per mile,	\$20,500
One and a half miles additional track, and turn-outs, estimated at	\$4,500
Two large and four small turn-tables,	2,000
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	\$6,500

Temporary Buildings and Water Stations.

1 engine house and shop at Chicago,	\$1,200
1 " " " at Elgin,	500
1 freight house at Chicago,	2,000
1 " " " at Elgin,	1,000
4 water stations, at \$200 each,	800
4 wood sheds, at \$150 "	600
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	\$6,100

Outfit of Engines and Cars.

3 engines, estimated at \$5,000 each,	\$15,000
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20 four-wheeled covered freight cars, at \$300 each,	6,000
20 eight-wheeled do., at \$650 each,	13,000
4 passenger cars, at \$2000 "	8,000
2 baggage do. at 650 "	1,300
10 gravel do. at 200 "	2,000
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	\$45,300

Right of Way and Fencing.

41 miles, at \$400,	\$16,400
Estimated cost of engineering for 1848-9,	12,000
Expenses of preliminary surveys previous to 1848, and incidental expenses up to that time,	\$6,500
Salaries of officers and agents for 1848-9, including incidental expenses, estimated at	17,200
Interest on monies to be paid to stockholders on each 1st of August, for 1848-9, estimated at	6,600
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Total	\$342,000

SUMMARY OF PRECEDING ESTIMATES.

Grading and Bridging,	\$84,000
Timber for superstructure,	40,950
Iron and Spikes for do.	79,950
Distributing materials and laying track,	20,500
Additional track, turn-outs and turn tables,	6,500
Temporary buildings and water stations,	6,100
Outfit of engines and cars,	45,300
Right of way and fencing,	16,400
Estimated cost of engineering for 1848-9,	12,000
Cost of preliminary surveys previous to 1848,	6,500
Salaries of officers and agents for 1848-9, including incidental expenses,	17,200
Estimated amount required to pay interest on stock paid in, for 1848-9,	6,600
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Total,	\$342,000

The contracts for grading and bridging the first 31 miles, provide, that the first 16 miles shall be completed by the first of August, and the next 15 miles by the first of October next.

The last ten miles, extending to Elgin, may be advantageously completed by the first day of June, 1849, or can be

completed this fall, if the funds of the company are sufficient to warrant an early and vigorous prosecution of the work.

It is proper to remark that the foregoing estimates embrace only a small expenditure for buildings, barely sufficient to operate the road, and that a considerable additional expenditure will be required to fully equip the road with Engine, Car, and Freight Houses.

It is anticipated that Iron and Engines, of good quality may be obtained on advantageous terms, from some of the many eastern companies, who are substituting the T for the flat rail, and who are desirous of disposing of the light engines, (which are best suited to the wants of this road,) and substituting those of greater weight and power.

The preceding estimates are based upon the prices at which the work has been let, so far as the contracts have been made or awarded, and generally upon quantities furnished by the former engineer of the company. Although the quantities, so far as I have been able to examine them, and the prices, appear to be liberal, yet additional, or new work, or contingencies may arise, not contemplated, that may increase the cost of the work somewhat beyond the present estimate.

The receipt from the business upon the Michigan Central Rail-Road in 1844, as shown by the report of J. W. Brooks, Esquire, when for the first nine months, (ending on the last of November,) it was in operation to Jackson, a distance of 77 miles, and the balance of the year to Marshall, a distance of 109 miles, the average working length being 85 miles, were \$206,867 48, exclusive of the receipts for the transportation of the United States Mail, or at the rate of \$2,433 74 per mile.

In the same report it is stated, that from the worn out, inefficient, and half equipped condition of the road at that time, and as there worked, it was not able, by a large amount, to do the business furnished upon its line.

It is believed by intelligent business men, fully competent to judge, that the section of country tributary to the Galena and Chicago Union Rail-Road, when completed to Elgin, will furnish an equal or greater amount of business upon its line, than was furnished upon the line of the Michigan road in 1844.

Taking the amount that was received upon that road, exclusive of mail service, \$2,433 74 per mile, as the esti-

mate of the receipts upon this road, and we have for 41 miles, the sum of \$99,783 93.

The distance the trains would probably run to perform the above amount of business would be as follows:

Two trains each way for two-thirds of the year, or 209 days, 164 miles per day, is	34,276 miles.
One train each way for one-third of the year, or 104 days, 82 miles per day, is	8,528 "

Total miles run,	42,804
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In 1844, the cost of operating several rail-roads in New England, per mile, was as follows:

Western Rail-Road,	\$63 04
Boston & Maine do.	41 06
New Bedford & Taunton do.	59 85
Norwich & Worchester do.	50 81
Eastern Rail-Road,	53 34

Average per mile,	\$53 62
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Mr. Brooks has taken this average as the cost of operating the Michigan Road, when completed.

The expense of operating the Galena and Chicago Union Rail-Road will be greater per mile than the roads above mentioned, on account of its having a flat rail, being new and of less length.

Estimating the cost of operating this road at 80 cts. per mile, which is about 50 per cent higher than the estimated cost of running the Michigan road, and 50 per cent higher than the average cost of operating the roads above mentioned, and we have for 42,804 miles, the distance required to be run, \$34,243 20.

Estimating the receipts of the road at	\$99,783 93
And the cost of operating the road at	34,243 20

We have for nett earnings, \$65,540 73
or about 19 per cent. on \$342,000, the estimated cost of the road.

For the purpose of testing the accuracy of the preceding estimates, I have prepared the following statements, showing the probable receipts which would accrue from the freight of wheat, the staple article of production and export, and the probable receipts from other sources.

The following table shows the amount of wheat each

county or part of county, tributary to the road, will produce in 1848. I have taken the amount raised in 1845, as shown by the official reports of that year, and added to them the same per cent. increase as occurred from 1840 to 1845.

In arriving at the amount of surplus wheat, I have deducted ten per cent. for seed, and seven bushels for each inhabitant, for consumption. This, it will be observed, is a somewhat larger deduction than is usually made for these purposes.

NAME OF COUNTY.	WHOLE AMOUNT OF WHEAT RAISED.	AMOUNT OF SURPLUS WHEAT.
$\frac{1}{2}$ of Du Page,	243,500	186,285
$\frac{3}{4}$ of Kane,	759,249	597,288
Whole of Boone,	428,078	330,755
$\frac{1}{2}$ of McHenry,	306,813	225,277
$\frac{1}{2}$ of DeKalb,	148,571	114,807
$\frac{3}{4}$ of Winnebago,	329,109	244,937
$\frac{1}{2}$ of Stephenson,	186,178	138,616
$\frac{1}{2}$ of Ogle,	239,236	188,383
Total,	2,640,734	2,026,348

According to the above calculations, the whole amount of wheat produced will be 2,640,734 bushels; and the surplus, 2,026,348 bushels.

A small portion of this may reach market by teams, when the roads are good, and some may be wasted, or not reach a market. In order to make the estimate entirely reliable, I have deducted from the above surplus twenty-five per cent., which will leave to be transported over this road, in the berry or in flour, 1,519,761 bushels. Of this it is estimated that $\frac{2}{3}$ ds will be transported in the berry, and $\frac{1}{3}$ rd in flour.

The receipts derived from the transportation of wheat and flour, will amount to

On 1,013,176 bushels of wheat, at 4 cents per bushel,	\$40,527 04
On 101,317 bbls. of flour, at $12\frac{1}{2}$ cents p. bbl.	12,664 62
Total,	\$53,191 66

In 1844 and 1845, the receipts of the Michigan road for the transportation of wheat and flour, were 57 per cent. of the whole receipts from freight, leaving the receipts from freight from other sources, 43 per cent.

The receipts from such other freight on the Galena and Chicago Union Rail-road, it is believed, will compare favorably with such receipts on the Michiagan road at that time.

The article of lumber, which forms but a small item of freight on that road, will constitute a very considerable item in the return freight on this road.

The receipts from passengers in 1845, on the Michigan road, were \$89,128 03, for 109 miles of road, or at the rate of \$817 69 per mile. It is estimated that at least one half this sum per mile, will be received from passengers the first year after the Galena and Chicago road is completed to Elgin.

Estimating the receipts from flour and wheat, as above, at	\$53,191 66
And the receipts from passengers at \$408 85 per mile, for 41 miles,	16,758 85
And the receipts from other freight besides wheat, at 43 per cent. of the whole freight,	40,127 04
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We have for the total earnings of the road,	\$110,077 55
Deduct the cost of operating the road, as pre- viously estimated,	\$34,243 20
	<hr/>
And we have for the nett earnings	\$75,834 35
or about 22 per cent. on the estimated cost of \$342,000.	

To those unacquainted with the facts connected with the construction of this road, the profits, as shown by the preceding estimates, on the investment required to construct it, will doubtless appear extravagant.

I am fully satisfied, however, that they will be deemed reasonable, when the vast extent of country, unsurpassed in fertility, tributary to the road, is known, and when it is understood that it passes through a country, whose surface presents such peculiar, and unequalled advantages for an easy, economical construction of a Rail-Road, that the cost of the right of way, grading, bridging, and culverts, will not exceed \$2,400 per mile, and, also, that the entire cost of the road, including outfit and fixtures, will not exceed \$8,500 per mile, or about one-third of the average cost of all the roads of like construction in the State of New York.

If this road were to cost \$24,000 per mile, (the average cost of roads of this description in the State of New York,) instead of about \$8,500, then the nett earnings would be

about $6\frac{1}{2}$ per cent. instead of 19 per cent, as shown by the first estimate, or $7\frac{1}{2}$ per cent. instead of 22 per cent., as shown by the last estimate.

Respectfully submitted.

JOHN VAN NORTWICK,

Chicago, April 5th, 1848.

CHIEF ENGINEER.

Office of the Galena & Chicago Union Railroad Company, }
Chicago, April 1st, 1848. }

*To the President and Directors of the Galena and Chicago
Union Railroad Company.*

GENTLEMEN :

I submit, herewith, a statement (marked A,) of the affairs of the Company, as exhibited by the books at this date. Also a statement (marked B,) of receipts and disbursements, from Dec. 15th, 1846, to this date.

On the 15th of December, 1846, the Company commenced receiving subscriptions to defray the cost of a preliminary survey from this city to Galena ; and, on the 10th day of August, 1847, books for subscription to the Capital Stock were opened, and the amount of subscriptions at that time, and since, obtained, is \$351,800, and has been made by 1206 different subscribers. Payments thereon, have been made to the amount of \$20,817 68-100, as will be seen by reference to the accompanying statements.

Very Resp'y.

Your obedient serv't.,

F. HOWE,

SECRETARY & TREASURER.

(A.)

STATEMENT OF THE AFFAIRS OF THE GALENA AND CHICAGO UNION RAILROAD COMPANY—APRIL 1, 1848.

Dr.		Cr.	
Cost of Preliminary Survey, -	1,144 52	Capital Stock—100 per ct. on 100 Shares, issued Townsend & Mather,	10,000 00
Real Estate, -	10,000 00	1 per ct. on 1875 Shares, issued under old orga- nization,*	1,875 00
Stock owned by the Company, -	1,859 00	Received on subscrip- tions of Aug. 10, 1847, 20,817 68—	32,692 68
Profit and Loss, -	419 93	Subscribers to Preliminary Survey,	164 51
Incidental Expenses, -	2,699 12		
Taxes, -	66 14		
Engineering and Surveying, -	3,120 36		
Grading, -	357 00		
Personal Property, -	201 14		
Timber (for Superstructure), -	5,000 00		
Right of Way, -	30 00		
Balance of funds on hand, -	7,959 98		
	<u>\$32,857 19</u>		<u>\$32,857 19</u>

* Of these 1875 Shares, 1859 have been assigned to, and are now owned by, the Company; the remaining 16 Shares will be relinquished without cost.

F. HOWE, Sec. & TREAS.

(B.)

STATEMENT OF RECEIPTS AND DISBURSEMENTS, FROM THE 15TH DECEMBER, 1846, TO 1ST APRIL, 1848.

RECEIPTS.		PAYMENTS.	
Received on Subscriptions to pay cost of Preliminary Survey, -	963 89	Refunded Subscriptions to Preliminary Survey, -	799 38
Received on Subscriptions to Capital Stock, from August 10, 1847, to date, -	20,817 68	Paid cost of Preliminary Survey, -	1,144 52
		Incidental Expenses, -	2,699 12
		Taxes, -	66 14
		Engineering and Surveying, -	3,120 36
		Grading, -	357 00
		Timber (for Superstructure), -	5,000 00
		Right of Way, -	30 00
		Personal Property, -	201 14
		Profit and Loss, -	137 20
		Paid for 100 Shares of old Stock on which 1 per cent. had been paid, -	100 00
		Paid balance of outstanding claims against the Company, -	166 73—13,821 59
		Balance of Cash on hand, -	7,959 98
	<u>\$21,781 57</u>		<u>\$21,781 57</u>

F. HOWE, Sec. & TREAS.

Office of the Galena & Chicago Union Railroad Company, }
Chicago, May 15, 1848. }

Since the last election of the Board of Directors, the following resolutions have been adopted, and are now published for the information of Stockholders and others interested, to wit:

Resolved, That the Board direct the President, Acting Director and Secretary, to solicit further subscriptions to the Capital Stock of the Galena and Chicago Union Railroad Company, until such additional subscriptions, with the amount already subscribed for, shall amount to the sum of \$500,000, and when the subscriptions as above stated shall amount in all to the sum of \$500,000, the books for subscription shall be closed, until such time as the directors shall decide; and, when the books shall again be opened for further subscriptions, the stockholders owning any of the aforesaid stock, shall have the preference in taking the new stock, in proportion to the stock then owned by them. This resolution, however, shall not be so construed as to take from this Board, the privilege of issuing full paid stock for Cars, Iron, or other materials, Right of Way, Depot Grounds, and for other expenses which may have occurred, or shall occur in the construction of, or appertaining to the road; or of issuing stock as collateral security for money loaned to the Company.—The subscribers to the additional stock now proposed to be subscribed for, shall pay five per cent on the first day of June, 1848, and shall pay all other instalments in the manner and at the time required from the present stockholders. The further amount of fifteen per cent., necessary to make said stock full paid, shall not be called for until after all the instalments shall have been called for from the present subscriptions.

* *Resolved*, That instalments of five per cent. each, be

* The amount of instalments called for and now payable, is	15 per ct.
Amount called for, payable hereafter, as expressed by the above resolution,	35 per ct.

Total amount of instalments called,	50 per ct.
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called for, on each share of Capital stock, payable as follows:

5 per cent. payable	June 1st, 1848.
5 " " "	Sept. 1st, "
5 " " "	Oct. 2nd, "
5 " " "	Nov. 1st, "
5 " " "	Dec. 1st, "
5 " " "	Jan. 1st, 1849
5 " " "	Feb. 1st, "

Resolved, That any stockholder not in arrears, may, at any time previous to the first day of September next, pay in full upon the whole or any portion of his stock owned by him, and be allowed a discount of ten per cent. upon the amount so paid.

Resolved, That a discount, at the rate of six per cent. per annum, be allowed upon any instalment of stock, which shall be paid previous to the time it becomes due, as heretofore fixed by the board.

The above are true copies from the Book of Records of the Galena and Chicago Union Rail-Road Company.

F. HOWE, SECRETARY.

For a full description of the contents of this volume, see the

title page of the volume, which is printed in the margin of the

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